1. Gap Identification: FO Gap Number 1: Receipt of Funds Processing (Includes Process Steps FO.1.1a – 1.4)

2. Implementation Steps:
    a. Step 1: Design remittance advice or payment coupon, to include:
        i.   Bar coding scan that links to tract IDs that link to beneficiary ownership interests
        ii.   Commitment ID(s)
        iii. Payment type(s)
        iv. Payment amount
        v.   Mail to address
    b. Step 2. Design collection slips for production leases or pre-payment coupons, to include:
        i.   Type of production leases – oil and gas, timber sales, sand and gravel, crop share
        ii.   Commitment ID
        iii. Payment type
        iv. Mail to address
    c. Step 3: Design production report for production leases
        i.   Similar to MMS 2014 Oil & Gas Production Report
    d. Step 4: Design payor invoices
        i.   Auto generation of consolidated payor bills based on funds receivable information
        ii. Auto generation of remittance advice based on funds receivable information
        ii. Auto mailing to payor of bill and remittance advice
    e. Step 5: Create a funds receivable system to track all funds from the point of entry of the commitment, to record:
        i.   Commitment ID – unique identifier of commitment
        ii. Commitment type – land use contract, probate settlement, judgment fund, productive lease, administrative fee, or escrow collection
        iii. Commitment description
        iv.   Payor's information – name, address
        v.   Collection information – effective date, termination date, billing date and amount, collection date and amount, penalties
    f. Step 6: Establish lockbox operations
        i.   Separate lockbox operations for production receipts and all other receipts

   ii. Establish a Treasury deposit account and a suspense account
   iii. Develop a system interface from the lockbox to the integrated trust data
 g. Step 7: Develop receipt processing procedures
   i. Issue directive that all funds from other federal agencies are received through IPACS
 h. Step 8: Develop receipts processing performance measures
 i. Step 9: Develop Receipt of Funds Process training
 j. Step 10: Develop funds receivable system training
 k. Step 11: Beta test the funds receivable system
 l. Step 12: Develop the funds receivable system deployment plan
   i. Pilot sites
   ii. By region
 m. Step 13: Train central office, program office and integrated servicing office personnel

3. Dependencies on Business Processes:

Business Process Name	Process Name (As specified in "To-Be" Model)	Dependency Description
BRDM		
Predecessors	1. B.6.3.1 Beneficiary Account Administration 2. B.6.3.2 Receivable Administration	1. A beneficiary account is created and the beneficiary information maintained. 2. Notification has been received that an atypical payment will be made, such as funds from judgments. A funds receivable account will be created based on the information.
Successors	1. B.6.3.2 Receivable Administration	1. An exception report indicating receipts that cannot be posted is received and staff helps to resolve problems. A deficiency report indicating late payments or underpayments is received and staff helps to resolve problems.
FO		
Predecessors	1. FO.2.2 Pool and Sweep Funds for Short Term Investment 2. FO.2.3 Execute Trades for Long Term Investment	1. Interest earned from short-term investments is received and posted. 2. Investment earnings from long -term investments is received and posted.
Successors	1. FO.2.1 Review Accounts and Investment Options 2. FO.3.1 Create Funds	1. If a beneficiary account balance is not sufficient for long-term investment, receipts are pooled with other account receipts and invested overnight with Treasury. If a beneficiary account balance is sufficient for long-term investment, receipts are invested in accordance with the investment strategy selected by the beneficiary. 2. Receipts are scheduled for disbursement to a beneficiary or third party.

Business Process Name	Process Name (As specified in "To-Be" Model)	Dependency Description
	Payable 3. FO.3.3 Reconcile Pre-Disbursement Exceptions 4. FO.3.4 Disburse Funds 5. FO.4.0 Omnibus Reconciliation 6. FO.5.0 Reporting and Statements	3. Trust and non-Trust funds that are projected to be received before the scheduled disbursement date but have not been received yet. 4. Receipts are disbursed to a beneficiary or third party. 5. Balances for cash receipts and funds receivable accounts are available for the central office reconciliation. 6. Funds receivable information is available for inclusion in the beneficiary account statements.
LNRP – Wide Area Plan		
Predecessors	1. None	
Successors	1. None	
LNRP - Appraisals		
Predecessors	1. None	
Successors	1. None	
LNRUM		
Predecessors	1. UM.2.6 Approve Land Use Contract 2. UM.2.7 Administer Land Use Contract 3. UM.2.1.2 Process Pre-Contract Receipt Encoding 4. UM.4.4 Perform	1. Land use contract terms and conditions, including projected Trust and non-Trust receipts will be used to create a funds receivable entry. 2. Modifications to land use contract terms and conditions, including changes to projected Trust and non-Trust receipts, are used to update a funds receivable entry. 3. Projected receipts, such as first year rentals, required to perfect land use contract are used to create a non-Trust funds receivable entry. 4. Land use non-compliance issues may result in fines and penalties.

Business Process Name	Process Name (As specified in "To-Be" Model)	Dependency Description
	Enforcement Action 5. UM.4.6.3 Reconcile Production	5. The royalty report (2014) is reconciled to production reports. Adjustments are made to the appropriate funds receivable accounts, if required. Production information is reconciled with receipts so that penalties and interest can be charged to the operator, if appropriate.
Successors	1. UM 4.1 Monitor Management Units 2. UM.4.6.4 Perform Production Accountability Audit	1. An exception report indicating receipts that cannot be posted is received and staff helps to resolve problems. A deficiency report indicating late payments or underpayments is received and staff helps to resolve problems. Financial land use contract compliance is enforced. A 10-day show cause notice to be sent to a delinquent or deficient payor is authorized. 2. Non-compliance and reconciliation issues are material or frequent enough to merit an audit.
Ownership – Title		
Predecessors	1. None	
Successors	1. None	
Ownership – Probate		
Predecessors	1. O.3.3 Close Probate	1. A transfer will occur from an estate account to a beneficiary account as a result of a probate settlement.
Successors	1. O.3.3 Close Probate	1. An exception report indicating receipts that cannot be posted is received and staff helps to resolve problems.
Ownership - Conveyance		
Predecessors	1. O.1.5 Close Transaction	1. A funds receivable account will be created based on projected receipts from a conveyance.
Successors	1. O.1.5 Close	1. An exception report indicating receipts that cannot be posted is received

Business Process Name	Process Name (As specified in "To-Be" Model)	Dependency Description
	Transaction	and staff helps to resolve problems. A deficiency report indicating late payments or underpayments is received and staff helps to resolve problems.
Ownership - Survey		
Predecessors	1. None	
Successors	1. None	

Dependencies on Universal Support Functions:

Universal Support Function	Dependency Description
Automated System Requirements	1. Funds receivable system tracks commitments of funds, such as leases, judgment awards, sales, probate settlements, and contains both projected and actual receipts. 2. Segregated tracking of funds to ensure accurate and timely account of funds by fund type. 3. Technology that can produce invoices, remittance advance, and pre-payment coupon. 4. Transmission interface with the bank for transmitting lockbox information. 5. Program for inquiries and reports to support funds receivable tracking. 6. Auto calculation of penalties and interest. 7. Auto calculation of interest earned. 8. System capability to produce exception report, deficiency report, aged receivables schedule, 10 days show cause notices. 9. Title system to provide master ownership information. 10. Leasing system to provide master lease data. 11. System capability to link ownership data with leasing data with beneficiary accounts for distribution purposes. 12. Technology that applies receipts and disbursements to the appropriate accounts (beneficiary accounts, escrow account, administrative account, and suspense account) and contains account information and balances. 13. Cash management system that contains projected and actual receipts and disbursements. 14. Technology that produces beneficiary account statements with detailed transaction information. 15. An interface with probate data. 16. Implement a tracking system to track inquiries, incidents and identify training and process improvements.
Policies, Procedures and Regulations	1. Detailed desk procedures that include identified service standards and management overview to ensure service standards are met. 2. Handling of performance bonds, bid deposits and administrative fees. 3. Handling small dollar transactions that are not necessarily tracked in the funds receivable system, such as one time or revocable use permits.

Universal Support Function	Dependency Description
	4. Standardized use of lockbox, remittance advice, and pre-payment coupons. 5. Standardized lease contract documentations and language (information application to funds receivable). 6. Standardized collection of funds so that all funds are accounted for and tracked in the trust accounting system. 7. Penalty, interest charges, and aging report policies. 8. Exception reconciliation procedures. 9. Periodic compliance review of funds approval and processing. 10. Standardized form and language for 10 days show cause notice. 11. Standardized form for transferring funds. 12. Regulations on imaged documents, electronic records, forms, and signatures. 13. Policy or requirements for payors payments, eg. EFT, receipts match invoice amount payment with remittance advice or collection slips, etc.
Training	1. Train staff in the new applications and the changes in policies and procedures. 2. Explain payment procedures to payors.
Records Management	1. Storage of electronic records. 2. Retention requirement for electronic records, forms, and signatures. 3. Retention requirement for imaged documents. 4. Requirements for paper checks and documentation submitted to the lockbox.
Risk Assessment	1. Providing funds receipts information based on misleading or erroneous data in an automated system. 2. Assess government liabilities based on the data integrity, accuracy, timeliness in each master data file if some cash receipts functions are outsourced.
Workforce Planning	1. Determine organizational responsibilities and staffing changes caused by the FO initiatives. 2. Develop an internal audit control group to ensure service standards are met, reconciliation processes have an overview, and management has proper oversight to ensure controls are in place and followed.
Internal Controls / Fiduciary Security	1. Develop business performance metrics and measures for receipts of funds. Develop service standards with management oversight to ensure adherence to the financial controls. 2. Place accountability on program and integrated servicing offices to follow-up until exceptions are

Universal Support Function	Dependency Description
	cleared.
	3. Field Operations, Financial Accounting, Compact and Contract must review reconciliations as requested within stated timeframes.
	4. Trust Services is responsible to ensure Field Operations, Financial Accounting, Compact and Contract complies with providing research information within specific timeframes.
	5. Overdraft reports need to be forwarded to agencies daily for large dollar exceptions.
	6. Overdraft status reports need to be reviewed daily and follow up documented until completions and cleared within specific timeframes.
	7. Month-end unit reconciliation should include an aging process to identify exceptions and to clear exceptions within specified timeframes. exceptions older than the stated standard should be reviewed and signed off on by a senior manager.
	8. MMS holding accounts reconciliation exceptions must be identified and aged with a designated department manager accountable for resolution.
	9. Put in place an internal audit control function following OCC requirements to monitor the various processes ensuring compliance with stated objectives.
	10. Quarterly Control Book review by management of processes with greatest risk. Staff performs the task, supervisor reviews the process, and manager ensures both processes are completed.
	11. Trust Administration oversight at the tribe level to ensure funds are properly recorded and disbursed according to the individual tribe requirements.
	12. Internal control review by management giving oversight to Trust administration, reconciliation processes, fund receipt and fund disbursement.
	13. If dual cash accounting is required, ensure that the proper receipt/disbursement codes are in use to track cash by income and principal.